

**ExteNet Systems, Inc.  
Comments on  
SB 637  
Small Wireless Communications Facilities Deployment Act  
(as passed by the Michigan Senate)**

**Michigan House of Representatives  
Committee on Energy Policy**

**May 29, 2018**

Good afternoon Mr. Chairman, Representatives, staff members and interested parties. My name is Haran Rashes. I am Director of External Relations for ExteNet Systems, Inc., a privately held telecommunications company based in Lisle, Illinois.

ExteNet has a vital interest in SB 637 because we design, build, own, manage & operate indoor and outdoor distributed network systems to help meet the growing demand for improved mobile and wireless broadband coverage and capacity in key strategic markets across the United States – including many such markets here in Michigan. Distributed network systems bring wireless network elements such as low-powered wireless antennas and access points closer to the user to ensure ubiquitous and high-capacity wireless broadband connectivity.

Utilizing distributed antenna systems, remote radio heads, small cells, Wi-Fi and distributed core soft-switching technologies, ExteNet enables wireless service providers, enterprises and venues to better serve their subscribers, customers, workers, residents, tenants and communities.

ExteNet owns and operates multi-carrier -- often referred to as "neutral-host" -- and multi-technology distributed network systems to ensure multiple wireless service providers can provide wireless telecommunication and eventually 5G services in the most effective and efficient manner. Utilizing our neutral host facilities, ExteNet also provides licensed and/or unlicensed spectrum to the general public on a nondiscriminatory basis. ExteNet creates a scalable network design utilizing its high-bandwidth fiber network to ensure that wireless network densification needs of users and wireless service providers are met and can evolve over time as user demands dictate.

Typically, ExteNet installs distributed network systems on existing utility poles, street lights, and other existing poles located in the public right-of-way. Access to these public rights-of-way for such distributed network systems is essential not only to ExteNet but also to the people of Michigan who are clamoring for more and more wireless access and bandwidth which they can only get from the natural increase in the number of wireless installations like ExteNet's.



In Michigan, ExteNet is registered as a Competitive Access Provider or "CAP" on the MPSC Intrastate Telecommunications Service Providers ("ITSP") Registration Database and has had a CAP Tariff on File with the MPSC since July 26, 2007.

We have pole attachment agreements in place in Michigan with DTE Energy, Consumers Energy, AT&T, Frontier, Indiana Michigan Power, Traverse City Light and Power, Upper Peninsula Power Company. These agreements permit the placement of fiber, antenna and wireless equipment on utility owned poles within the public rights-of-way. In addition, we have almost 30 METRO Act Permits with Michigan municipalities.

With these agreements and permits ExteNet has installed networks throughout the State of Michigan.

For many years, prior to joining ExteNet, I practiced telecommunications law here in Lansing. In that capacity, I saw Michigan take the national lead in helping telecommunications carriers gain access to the public rights-of-way through the introduction and passage of the Metropolitan Extension Telecommunications Rights-of-Way Oversight Act, PA 48 of 2002. The METRO Act, as it is called, helped standardize access to and virtually eliminate disputes over the public rights-of-way. However, despite a 2004 Determination by the Michigan Metro Authority that distributed network systems should be granted access to the rights-of-way under the METRO Act, we continue to encounter municipalities that do not allow access or seek non-economically feasible fees for such access.

Let me emphasize that the overwhelming majority of municipalities in Michigan cooperate with us and recognize the economic benefits to their residents of improving wireless bandwidth and accessibility. However, there are a few outliers who do not cooperate and do not recognize the legal rights ExteNet has, under both the METRO Act and Federal law, to install small wireless systems in the public rights-of-way.

SB 637 would, as the METRO Act did, standardize access to and the fees for placing wireless telecommunications facilities within the public rights-of-way. It would assure federally guaranteed access for small cell and distributed antenna systems to the public rights-of-way are maintained in Michigan. In turn, this would result in the timely deployment of next generation 5G telecommunications and other telecommunications infrastructure vital to Michigan's economic welfare.

SB 637 establishes rates for attachment to municipally owned utility poles and structures that would be economically feasible and standardized throughout Michigan. In addition, SB 637 would encourage timely approval of small cell locations and installations, resulting in rapid deployment based on economics and consumer demand.

ExteNet supports the passage of SB 637. However, we also recognize that it is not a perfect bill. We urge this Committee to work with all parties to reach a consensus

to improve SB 637 prior to passage.

ExteNet suggests that this Committee look at the following three areas of SB 637 for improvement:

In Section 9(c), SB 637 attempts to define a Wireless Infrastructure Provider as:

"Wireless infrastructure provider" means any person, including a person authorized to provide telecommunications services in this state but not including a wireless services provider, that builds or installs wireless communication transmission equipment, wireless facilities, or wireless support structures and who, when filing an application with an authority under this act, provides written authorization to perform the work on behalf of a wireless services provider.

As a Telecommunications Provider, ExteNet, and other neutral host providers like ExteNet, have an independent right under Federal Law, to construct small cell networks in the public rights-of-way, whether or not we are performing the work "on behalf of a wireless service provider." There are times when ExteNet constructs networks on its own behalf and on behalf of private businesses who are not wireless providers.

ExteNet is a Michigan CAP and entitled to build on its own. We urge you to consider removal of the "written authorization requirements" in Section 9(c). Such a change will clarify the application of Federal law to this bill and avoid future disputes with municipalities.

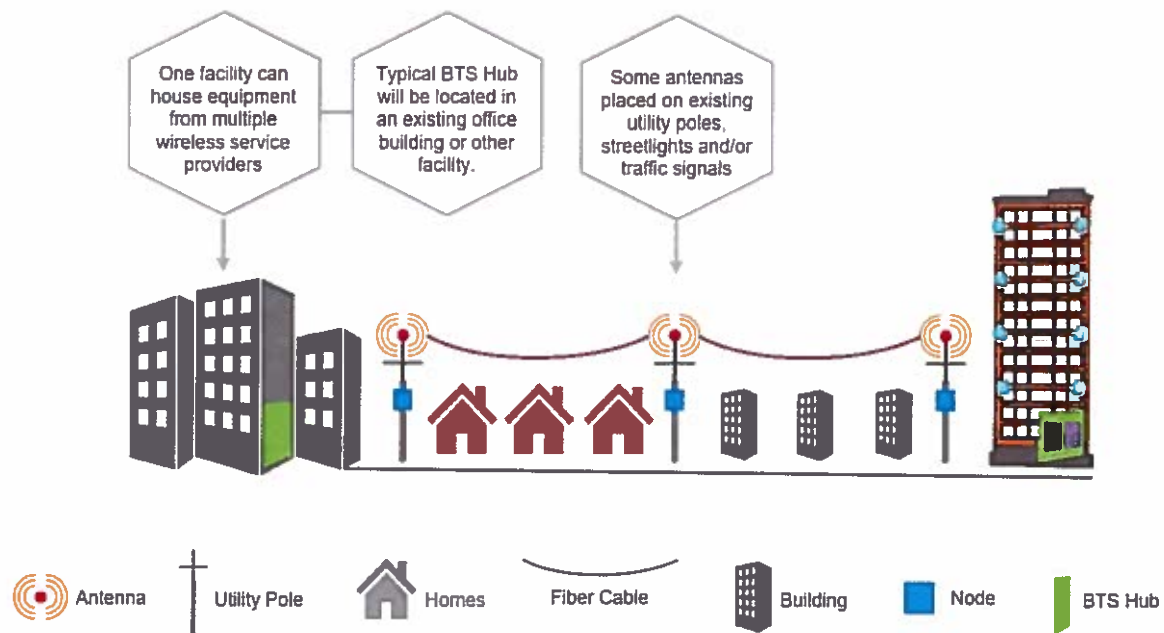
In Section 27 of SB 637, ExteNet encourages this Committee to consider mirroring the dispute resolution section – Section 7 of the METRO Act (MCL 484.3107). Such a change would send disputes to the Michigan Public Service Commission on an expedited basis as opposed to the Circuit Courts. This would utilize the telecommunications expertise of the MPSC and result in consistent rulings throughout the state.

Finally, as with the METRO Act, we encourage this Committee to add language to SB 637 to require the creation of a uniform application and uniform permit so it would be the same process to access the public rights-of-way in Williams Township, Mount Pleasant, Scio Township, Grand Rapids, Escanaba, Ann Arbor, or any other municipality in Michigan.

SB 637 encourages private investment in much needed telecommunications infrastructure development that will benefit the people of Michigan. ExteNet supports the passage of SB 637

Thank you.

## Distributed Networks (DNS) Bring Networks Closer to User to Augment Connectivity:



## Typical DNS Deployment:



Sample Installations:

